

DRIVING *Wisconsin's* ECONOMY



People inherently know transportation is important to jobs and the economy.

In a recent poll released by the Association of Wisconsin Tourism Attractions, more than nine-in-ten Wisconsin voters said transportation is important to economic development and job growth. Two-thirds say it's very important.



Background

Wisconsin is a diverse state with more than

- 11,000 miles of state and interstate highways,
- 103,000 miles of county highways, town roads and municipal streets,
- 81 public transit and shared-ride taxi systems,
- 128 public-use airports,
- 3,600 miles of railroad track, and
- 29 commercial ports.

This vast network supports an economy which is driven by manufacturing, agriculture and tourism.

Businesses and consumers alike understand outdated infrastructure is a hidden tax – in the form of higher priced goods at the checkout, wear and tear on vehicles, lost time stuck in traffic and increased risk of being involved in an accident.

As Rick McCarle, president of UPS Freight, explains it,

“Congestion is a persistent issue for our industry and company specifically. For UPS, if all our vehicles are delayed just five minutes a day, every day, it costs our company \$144 million a year.”

Our infrastructure can cap economic growth, and as we have seen recently in Wisconsin around I-94 North South, it can spur a boom.

Since the modernization of the I-94 from Milwaukee to the state line, companies like Amazon, Foxconn, Haribo, IKEA and Uline have located or are locating in the region. Most recently, Germany-based global health care company Fresenius Kabi announced plans to set up shop in a proposed 590,525-square-foot distribution facility in the new Stateline 94 Corporate Park in Pleasant Prairie.

In the increasingly complex and on-demand world economy, a modern, interconnected transportation system is simply the price of admission.

Highways & Transit

- The current surface transportation authorization, the FAST Act, expires September 30, 2020.
- Since 2008, more than \$140 billion from the General Fund has been used to shore up the Transportation Fund.

Wisconsin faces a transportation funding shortfall approaching \$1 billion a year.

Under the FAST Act, Wisconsin receives annually more than \$750 million for highways, \$85 million for transit and \$16 million for safety.

TDA POSITION

- Reach consensus on reauthorization of surface transportation programs and a sustainable funding source for the Highway Trust Fund as part of any infrastructure package.
- Plan for the future, including a transition to a user fee that is not dependent on the type of fuel powering the vehicle, possibly expanded tolling or a vehicle-miles-traveled fee.
- Build on the streamlining measures already enacted, further reducing the cost to deliver projects.
- Appropriate to the FY 2020 levels authorized by the FAST Act.

Aviation

Wisconsin airports and their associated activities are assets to the communities they serve, generating approximately \$7 billion in economic activity annually and supporting more than 90,000 jobs. Wisconsin's aviation industry accommodates about 5 million passengers and more than 100 million pounds of cargo each year.

TDA POSITION

- Thanks Congress for passing a long-term authorization bill, the Federal Aviation Administration (FAA) Act of 2018.
- Appropriate at least up to the levels included in the new FAA authorization.
- Fund the Essential Air Service Program which provides funding for rural commercial service in all 50 states, including Eau Claire and Rhinelander.
- Support Wisconsin receiving its fair share of airport discretionary grants.

*The current FAA authorization expires September 30, 2023 and is the **longest reauthorization since 1982.***

*Wisconsin receives approximately **\$60 million from the Airport Improvement Program (AIP) annually, 70% of Wisconsin aviation program funding.***

Freight Rail

Wisconsin is served by 10 railroads including four major (Class I) railroads. Each year these railroads haul over 200 million tons of cargo. U.S. railroads spend on average more than \$20 billion each year to enhance the nation's rail network and employ about 170,000 people.

TDA POSITION

- Support balanced policies that continue to allow railroads to invest in their infrastructure. Freight rail is a vital partner in moving the nation's economy.
- Support the short line tax, which expired in 2017, by making the credit part of permanent tax policy.

Ports, Harbors & Waterways

Wisconsin's 29 commercial ports offer manufacturers and shippers a major transportation alternative many states cannot provide. Each year, Wisconsin ports handle over 40 million tons of cargo, which generates more than \$1.6 billion in economic activity and almost 10,000 jobs.

*The Upper Mississippi River carries approximately **60 percent of the nation's corn exports and 45 percent of the nation's soybean exports.***

TDA POSITION

- Thanks Congress for passing the America's Water Infrastructure Act, which included the Water Resources Development Act (WRDA) of 2018.
- Provide adequate funds to address the backlog of dredging projects at Wisconsin ports.
- Support investment in our ports and inland waterways as an important part of a national freight policy.
- Include funding in the FY 2020 Homeland Security Appropriations Bill to continue design work on a new heavy icebreaking cutter for the Great Lakes. Congress authorized its construction in 2015 at an estimated cost of \$240 million.
- Appropriate to the Harbor Maintenance Tax spending target established in the Water Resources Reform and Development Act (WRRDA), \$1.59 billion in FY 2020.

Passenger Rail

Ridership on the Hiawatha has grown from less than 300,000 in 1989 to more than 850,000 in 2018. Service has also grown from two daily round trips in the beginning to seven daily round trips Monday to Saturday and six on Sunday. The Hiawatha is the busiest corridor in the Midwest and the sixth busiest state-supported Amtrak route.

TDA POSITION

- Support WisDOT's efforts to increase frequency of existing passenger rail in Wisconsin, especially the very successful Hiawatha line.



It's how we get there

*wings, rails,
roads or waves*

From the buses in Racine to the Port of Green Bay to the rail lines in Superior to the Waukesha County Airport to the roads we use every day, **Wisconsin's transportation network is the key to connecting goods to market and people to jobs.**

Founded in 1971, the Transportation Development Association of Wisconsin promotes the vitality and safety of the state's transportation system, including public transit systems, public-use and general aviation airports, railroads, commercial ports, and roads. TDA's members comprise business, labor, units of government, regional planning organizations, as well as individuals.



www.tdawisconsin.org and Twitter handle **@TDAWisconsin**